



Agenda Report

July 8, 2024

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH LAYNE CHRISTENSEN COMPANY TO PROVIDE LABOR AND MATERIALS FOR DRILLING, CONSTRUCTION, AND TESTING OF THE EXPLORER WELL FOR AN AMOUNT NOT-TO-EXCEED \$2,921,442 FOR THE WATER AND POWER DEPARTMENT

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program; and
2. Accept the bid dated May 30, 2024, submitted by Layne Christensen Company in response to Project ID: 2024-IFB-LM-043 to provide labor and materials for drilling, construction, and testing of the Explorer Well, and authorize the City Manager to enter into a contract for an amount not-to-exceed \$2,921,442, which includes the base amount of \$2,540,382 and a contingency of \$381,060 to provide for any necessary change orders.

BACKGROUND:

Pasadena Water and Power ("PWP") owns four groundwater wells in the northwest region of Pasadena collectively known as the Monk Hill Wells. Groundwater from the Monk Hill basin contains Volatile Organic Compounds ("VOCs") and perchlorate due to past disposal practices by the Jet Propulsion Laboratory, which is managed by the National Aeronautics and Space Administration ("NASA") and owned by the California Institute of Technology ("Caltech").

On January 23, 2006, the City of Pasadena ("City") and Caltech entered into Contract No. 18989, which provides a funding mechanism for the City to construct and operate the Monk Hill Treatment Plant ("MHTP") for the removal of VOCs and perchlorate. Under Contract No. 18989, the direct costs associated with the operation and maintenance of the MHTP are reimbursable by Caltech.

In 2014, NASA prepared a remediation plan to optimize the groundwater cleanup downgradient of the JPL. NASA's Optimization Work Plan identified that a new well in the Monk Hill basin, Explorer Well, would shorten the life cycle of the groundwater cleanup operations. The Explorer Well will pump groundwater to the MHTP for treatment before entering PWP's water distribution system. In addition to further helping with the groundwater cleanup, the Explorer Well will also strengthen PWP's infrastructure reliability and resource resiliency. The construction costs for the Explorer Well will be reimbursed by Caltech under Contract No. 18989.

The Explorer Well will be drilled approximately 1,000 feet north of the existing Arroyo Well and will be equipped with new mechanical and electrical equipment secured in a new concrete masonry building. The well will be capable of producing up to 1,600 gallons of groundwater per minute.

The Explorer Well will be drilled about 700 feet deep. Continuous 24-hour drilling is necessary for the entire depth to avoid the collapse of the borehole or loss of drilling fluids. The continuous drilling operation will take approximately 40 working days that are likely to occur in two phases, each three weeks in duration. This drilling schedule is authorized under PMC § 9.36.170 (Exemptions), as the construction serves the best interests of the public and protects the public health, safety and welfare. After the well drilling is completed, subsequent site activities will be performed during normal hours allowed by PMC § 9.36.070 (Construction Projects). The contractor will be required to mitigate for construction related noise, including installing 24-foot tall temporary sound barriers around the work site.

On-site work activity is anticipated to begin in Fall 2024 with completion by Spring 2025. Information from the well drilling is necessary to complete the design of the well equipment and for bidding the subsequent above-grade improvements. PWP expects to enter into a new contract for the installation of the pump and motor, well building, piping, and electrical equipment by early 2025.

The Notice Inviting Bids for Project ID: 2024-IFB-LM-043 was posted online through OpenGov on May 2, 2024, and published in the Pasadena Press on May 9, 2024. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 23 vendors downloaded the specifications of which none were local. Five contractors attended the mandatory pre-bid meeting on May 16, 2024. A total of one bid was received by the bid opening date, with no bids received from local contractors. Staff is not aware of any local well drillers.

The results of the bids were as follows:

<u>Bidders</u>	<u>Total Bid</u>
Layne Christensen Company (Redlands, CA)	\$2,540,382
Engineer's Estimate	\$2,190,000

Layne Christensen Company was the lowest responsive and responsible bidder that complied with the Specification requirements, and possesses a valid C-57 License: Well Drilling Contractor.

The proposed contract complies with Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated thereunder. The project was bid as a prevailing wage project and workers employed by the contractor will be paid the general prevailing rate of per diem wages as determined by the California Director of Industrial Relations. The project will meet the requirements of prevailing wage law under California Labor Code Sections 1720 through 1861 and Title 8 of the California Code of Regulations.

It is recommended that the City Council authorize the City Manager to enter into a contract with Layne Christensen Company for an amount not-to-exceed \$2,921,442, which includes the base amount of \$2,540,382 and a contingency of \$381,060 for any necessary change orders. The recommended contractor currently has one contract with PWP valued at \$2,708,750 over a five-year term beginning in 2020. Layne Christensen Company has experience in drilling, construction, and testing of potable water supply wells and has completed similar projects with the City of Colton and Cucamonga Valley Water District. The project manager in the Water Division will track and report the contract spending.

COUNCIL POLICY CONSIDERATION:

This project is consistent with the Water System and Resources Plan for improved system resiliency and redundancy in response to disruption in distribution of water during emergency or natural disasters. It supports the City Council’s strategic goals to improve, maintain, and enhance public facilities and infrastructure.

ENVIRONMENTAL ANALYSIS:

On behalf of the City, PSOMAS was hired to conduct the environmental review of the Project in compliance with the California Environmental Quality Act (CEQA). This analysis resulted in a Draft Initial Study/Mitigated Negative Declaration (“IS/MND”). As required by CEQA, the following environmental topics were analyzed:

<ul style="list-style-type: none">• Aesthetics• Agriculture and Forestry Resources• Air Quality• Biological Resources• Cultural Resources• Energy• Geology and Soils• Greenhouse Gas Emissions• Hazards and Hazardous Materials• Hydrology and Water Quality• Land Use and Planning	<ul style="list-style-type: none">• Mineral Resources• Noise• Population and Housing• Public Services• Recreation• Transportation• Tribal Cultural Resources• Utilities and Service Systems• Wildfire• Mandatory Finding of Significance
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All impacts studied in the Initial Study were found to be less than significant, or less than significant with implementation of mitigation measures. The Initial Study identified potentially significant effects related to the following topics: of Biological Resources, Cultural Resources, Geology and Soils, Hazards and Hazardous Materials, Noise, Tribal Cultural Resources, and Mandatory Findings of Significance. However, these potential

significant impacts will be avoided or reduced to a less than significant level by incorporating mitigation measures into the project. A Mitigated Negative Declaration (“MND”), Mitigation Monitoring and Reporting Program (Attachment A) have, therefore, been prepared for the project.

A Notice of Intent (“NOI”) to Adopt a MND was published for public review from February 5, 2024, to March 4, 2024. The NOI was posted at the Los Angeles County Registrar-Recorder/County Clerk office and was sent to owners and occupants within a 500-foot radius of the project property line, agencies, organizations, and individuals who have previously requested such notice in writing. Additionally, the IS/MND and technical appendices along with the NOI were submitted electronically to the State Clearinghouse on February 5, 2024. The NOI was also posted at the Explorer Well location on February 2, 2024, and two other locations within close proximity to the project site. During the public review period, the IS/MND was available for review on the City's webpage at <https://www.cityofpasadena.net/planning/explorer-well-project/>.

Three comment emails were received on the IS/MND. The comment emails and corresponding responses are attached hereto (Section 1.0 of Attachment A). On the basis of the whole record, including but not limited to the project's Initial Study, there is no substantial evidence that the project could have a significant effect on the environment after the implementation of the mitigation measures. Therefore, staff recommends that the City Council adopt a MND and corresponding Mitigation Monitoring and Reporting Program for the project.

FISCAL IMPACT:

The maximum cost of this action will be \$2,921,442, which includes the base amount of \$2,540,382 and a contingency of \$381,060 to provide for any necessary change orders. Funding for this action will be addressed by the utilization of existing appropriations in the Water Capital Fund 412, Capital Improvement Project 01076 – Monk Hill Groundwater Treatment Improvements. It is anticipated that the total cost will be spent during Fiscal Year 2025. All costs are reimbursable by Caltech under Contract No. 18989. There is no impact to the General Fund. The fiscal impact summary is shown below:


Bid Amount	\$2,540,382
Contingency	\$ 381,060
Total Fiscal Impact FY 2025	\$2,921,442

Respectfully submitted,



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